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INTERSTATE COMMERCE COMMISSION

AGREEMENT AND ASSIGNMENT

Dated as of December 1, 1974,

between

PULLMAN INCORPORATED
(Pullman-Standard division)

and

MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY,
as Agent

AGREEMENT AND ASSIGNMENT dated as of December 1, 1974, between Pullman Incorporated (Pullman-Standard division), a Delaware corporation (hereinafter called the Builder), and Mercantile-Safe Deposit and Trust Company, acting as Agent under a Finance Agreement dated as of the date hereof (hereinafter called the Finance Agreement), said Agent, so acting, being hereinafter called the Vendor.

WHEREAS the Builder, United States Trust Company of New York, as trustee (hereinafter called the Owner-Trustee), under a Trust Agreement dated as of December 1, 1974 (hereinafter called the Trust Agreement), with General Electric Credit Corporation (hereinafter called the Owner), and Southern Railway Company (hereinafter called the Guarantor) have entered into a Conditional Sale Agreement dated as of December 1, 1974 (hereinafter, together with amendments and supplements thereto, being called the Conditional Sale Agreement), covering the construction, sale and delivery, on the conditions therein set forth, by the Builder and the purchase by the Owner-Trustee of the railroad equipment described in Annex B to the Conditional Sale Agreement (said equipment being hereinafter called the Equipment);

WHEREAS the Owner-Trustee and American Rail Box Car Company (hereinafter called the Lessee) have entered into a Lease of Railroad Equipment dated as of December 1, 1974 (hereinafter, together with amendments and supplements thereto, being called the Lease), providing for the lease to the Lessee of the Equipment; and

WHEREAS the Guarantor has agreed to guarantee the obligations of the Lessee under the Lease, and the terms and conditions of said guaranty are set forth in the Guaranty Agreement dated as of December 1, 1974, between the Guarantor and the Owner-Trustee;

NOW, THEREFORE, THIS AGREEMENT AND ASSIGNMENT (hereinafter called this Assignment) WITNESSETH: That, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by the Assignee to the Builder, the receipt of which is hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. The Builder hereby assigns, transfers, and sets over unto the Vendor, its successors and assigns:

(a) All the right, title and interest of the Builder in and to each unit of the Equipment when and as severally delivered to and accepted by

the Owner-Trustee, subject to the payment by the Vendor to the Builder of the amount required to be paid under Section 4 hereof and by the Owner-Trustee to the Builder of the amounts due under subparagraph (a) of the third paragraph of Article 4 of the Conditional Sale Agreement;

(b) All the right, title and interest of the Builder in and to the Conditional Sale Agreement (except the right to construct and deliver the Equipment and the right to receive the payments specified in the third paragraph of Article 3 thereof, in the first paragraph, in subparagraph (a) of the third paragraph and in the fourth paragraph of Article 4 thereof, in the last paragraph of Article 15 thereof and reimbursement for taxes paid or incurred by the Builder), and except as aforesaid in and to any and all amounts which may be or become due or owing to the Builder under the Conditional Sale Agreement on account of the Conditional Sale Indebtedness (as defined in the Conditional Sale Agreement) of the Equipment and interest thereon, and in and to any other sums becoming due from the Owner-Trustee or the Guarantor under the Conditional Sale Agreement, other than those hereinabove excluded; and

(c) Except as limited by subparagraph (b) of this paragraph, all the Builder's rights, titles, interests, powers, privileges and remedies under the Conditional Sale Agreement;

without any recourse hereunder, however, against the Builder for or on account of the failure of the Owner-Trustee or the Guarantor to make any of the payments provided for in, or otherwise to comply with, any of the provisions of the Conditional Sale Agreement; *provided, however*, that this Assignment shall not subject the Vendor to, or transfer, or pass, or in any way affect or modify, the obligations of the Builder to deliver the Equipment in accordance with the Conditional Sale Agreement or with respect to its warranties and agreements referred to in Article 14 of the Conditional Sale Agreement or relieve the Owner-Trustee or the Guarantor from their respective obligations to the Builder contained in Articles 2, 3, 4, 6, 8 and 14 of the Conditional Sale Agreement (as such obligations are limited by Article 22 thereof), it being understood and agreed that, notwithstanding this Agreement, or any subsequent assignment pursuant to the provisions of Article 15 of the Conditional Sale Agreement, all obligations of the Builder

to the Owner-Trustee with respect to the Equipment shall be and remain enforceable by the Owner-Trustee, its successors and assigns, against and only against the Builder. In furtherance of the foregoing assignment and transfer, the Builder hereby authorizes and empowers the Vendor in the Vendor's own name, or in the name of the Vendor's nominee, or in the name of and as attorney, hereby irrevocably constituted, for the Builder, to ask, demand, sue for, collect, receive and enforce any and all sums to which the Vendor is or may become entitled under this Assignment and compliance by the Owner-Trustee and the Guarantor with the terms and agreements on their parts to be performed under the Conditional Sale Agreement, but at the expense and liability and for the sole benefit of the Vendor.

SECTION 2. The Builder agrees that it shall construct the Equipment in full accordance with the Conditional Sale Agreement and will deliver the same upon completion to the Owner-Trustee in accordance with the provisions of the Conditional Sale Agreement; and that, notwithstanding this Assignment, it will perform and fully comply with each of and all the covenants and conditions of the Conditional Sale Agreement set forth to be performed and complied with by the Builder. The Builder further agrees that it will warrant to the Vendor, the Guarantor and the Owner-Trustee that at the time of delivery of each unit of the Equipment under the Conditional Sale Agreement it had legal title to such unit and good and lawful right to sell such unit and that the Owner-Trustee received title to such unit free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Builder under the Conditional Sale Agreement and the rights of the Lessee under the Lease; and the Builder further agrees that it will defend the title to such unit against the demands of all persons whomsoever based on claims originating prior to the delivery of such unit by the Builder under the Conditional Sale Agreement; all *subject, however*, to the provisions of the Conditional Sale Agreement and the rights of the Owner-Trustee and the Guarantor thereunder. The Builder will not deliver any of the Equipment to the Owner-Trustee under the Conditional Sale Agreement until the Conditional Sale Agreement and the Lease have been filed and recorded in accordance with Section 20c of the Interstate Commerce Act (the Builder and its counsel being entitled to rely on advice from special counsel for the Vendor that such filing and recordation have occurred).

SECTION 3. The Builder agrees with the Vendor that in any suit, proceeding or action brought by the Vendor under the Conditional Sale Agreement for any instalment of, or interest on, the Conditional Sale Indebtedness or the Equipment or to enforce any provision of the Conditional Sale Agreement, the Builder will indemnify, protect and hold harmless the Vendor from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever claimed by the Owner-Trustee, the Lessee or the Guarantor arising out of a breach by the Builder of any obligation with respect to the Equipment or the manufacture, construction, delivery or warranty thereof, or by reason of any defense, setoff, counterclaim or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to the Owner-Trustee, the Lessee or the Guarantor by the Builder. The Builder's obligation so to indemnify, protect and hold harmless the Vendor is conditional upon (a) the Vendor's timely motion or other appropriate action, on the basis of Article 15 of the Conditional Sale Agreement, to strike any defense, setoff, counterclaim or recoupment asserted by the Owner-Trustee, the Lessee or the Guarantor in any such suit, proceeding or action and (b) if the court or other body having jurisdiction in such suit, proceeding or action denies such motion or other action and accepts such defense, setoff, counterclaim or recoupment as a triable issue in such suit, proceeding or action, the Vendor's prompt notification to the Builder of the asserted defense, setoff, counterclaim or recoupment and the Vendor's giving the Builder the right, at the Builder's expense, to compromise, settle or defend against such defense, setoff, counterclaim or recoupment.

Except in cases of articles or materials specified by the Lessee and not manufactured by the Builder and in cases of designs, systems, processes, formulae or combinations specified by the Lessee and not developed or purported to be developed by the Builder, the Builder agrees, except as otherwise specifically provided in Annex A to the Conditional Sale Agreement, to indemnify, protect and hold harmless the Vendor from and against any and all liability, claims, costs, charges and expenses, including royalty payments and counsel fees, in any manner imposed upon or accruing against the Vendor or its assigns because of the use in or about the construction or operation of any of the Equipment of any design, system, process, formula, combination, article or material which infringes or is claimed to infringe on any patent or other right. The Vendor will give prompt notice to the Builder

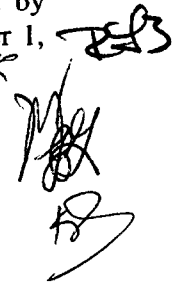
of any claim actually known to the Vendor which is based upon any such alleged infringement and will give the Builder the right, at the Builder's expense, to compromise, settle or defend against such claim. The Builder agrees that any amounts payable to it by the Owner-Trustee or the Guarantor with respect to the Equipment, whether pursuant to the Conditional Sale Agreement or otherwise, not hereby assigned to the Vendor, shall not be secured by any lien, charge or security interest upon the Equipment or any unit thereof.

SECTION 4. The Vendor, on each Closing Date fixed as provided in Article 4 of the Conditional Sale Agreement with respect to a Group (as defined in said Article 4) of the Equipment, shall pay to the Builder an amount equal to the portion of the Purchase Price thereof which, under the terms of said Article 4, is payable in instalments, provided that there shall have been delivered to the Vendor (with an executed counterpart to the Owner-Trustee), on or prior to such Closing Date, the following documents, in form and substance satisfactory to it and to its special counsel hereinafter mentioned, in such number of counterparts as may be reasonably requested by said special counsel:

(a) An instrument from the Builder to the Vendor transferring to the Vendor the security interest of the Builder in the units of the Equipment in such Group, warranting to the Vendor and to the Owner-Trustee that, at the time of delivery of such units under the Conditional Sale Agreement, the Builder had legal title to such units and good and lawful right to sell such units and that the Owner-Trustee received title to such units free of all claims, liens, security interests and other encumbrances of any nature except only the rights of the Vendor under the Conditional Sale Agreement and the rights of the Lessee under the Lease, and covenanting to defend the title to such units against the demands of all persons whomsoever based on claims originating prior to the delivery of such units by the Builder under the Conditional Sale Agreement;

(b) A Certificate or Certificates of Acceptance with respect to the units of the Equipment in such Group as contemplated by Article 3 of the Conditional Sale Agreement and § 2 of the Lease;

(c) The opinions of counsel and officers' certificates required by Paragraph 6 of the Participation Agreement dated as of September 1,

SEPTEMBER 1, 1983


1974, among the Lessee, the Guarantor, the Owner and the Owner-Trustee;

(d) An invoice of the Builder for the units of the Equipment in such Group accompanied by or having endorsed thereon a certification by the Owner-Trustee, the Lessee and the Guarantor as to their approval thereof and an invoice of the Builder for the interest, if any, payable to the Builder pursuant to the fourth paragraph of Article 4 of the Conditional Sale Agreement,

(e) An opinion of Messrs. Cravath, Swaine & Moore, who are acting as special counsel for the Vendor and the Investors named in the Finance Agreement, dated as of such Closing Date, stating that (i) the Finance Agreement, assuming due authorization, execution and delivery by such Investors, has been duly authorized, executed and delivered and is a legal, valid and binding instrument, (ii) the Conditional Sale Agreement has been duly authorized, executed and delivered by the respective parties thereto and is a legal, valid and binding instrument enforceable in accordance with its terms, (iii) this Assignment has been duly authorized, executed and delivered by the respective parties thereto and is a legal, valid and binding instrument, (iv) the Vendor is vested with all the rights, titles, interests, powers and privileges of the Builder purported to be assigned to it by this Assignment, (v) the Vendor is vested with a valid and perfected security interest in the units of the Equipment in such Group and such units, at the time of delivery thereof to the Owner-Trustee under the Conditional Sale Agreement, were free from all claims, liens, security interests and other encumbrances (other than those created by the Conditional Sale Agreement and the rights of the Lessee under the Lease), (vi) no approval of the Interstate Commerce Commission or any other governmental authority is necessary for the valid execution and delivery of the Finance Agreement, the Conditional Sale Agreement or this Assignment, or if any such authority is necessary, it has been obtained, (vii) the Conditional Sale Agreement and this Assignment have been duly filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act and no other filing or recordation is necessary for the protection of the rights of the Vendor in any state of the United States of America or in the District of Columbia, and (viii) registration of the Conditional Sale Agreement, this Assign-

ment or the certificates of interest delivered pursuant to the Finance Agreement is not required under the Securities Act of 1933, as amended, and qualification of an indenture with respect thereto is not required under the Trust Indenture Act of 1939, as amended; and such opinion shall also cover such other matters as may reasonably be requested by the Vendor or such Investors;

(f) An opinion of counsel for the Owner-Trustee, dated as of such Closing Date, addressed to the Vendor and the Owner, stating that the Finance Agreement, the Conditional Sale Agreement, the Lease, the assignment thereof to the Vendor and the Trust Agreement have been duly authorized, executed and delivered by the Owner-Trustee and, assuming due authorization, execution and delivery by the other parties thereto, are legal and valid instruments binding upon the Owner-Trustee and enforceable against the Owner-Trustee in accordance with their terms;

(g) An opinion of counsel for the Owner, dated as of the first such Closing Date, stating that the Trust Agreement has been duly authorized, executed and delivered by the Owner and, assuming due authorization, execution and delivery by the Owner-Trustee, is a legal and valid instrument binding on the Owner.

(h) An opinion of counsel for the Builder, dated as of such Closing Date, addressed to the Vendor, the Owner and the Owner-Trustee to the effect set forth in clauses (iv) and (v) of subparagraph (e) above and stating that (i) the Builder is a duly organized and existing corporation in good standing under the laws of its jurisdiction of incorporation and has the power and authority to own its properties and to carry on its business as now conducted, (ii) the Conditional Sale Agreement has been duly authorized, executed and delivered by the Builder, assuming due authorization, execution and delivery by the other parties thereto, and is a legal and valid instrument binding upon the Builder and enforceable against the Builder in accordance with its terms, and (iii) this Assignment has been duly authorized, executed and delivered by the Builder, and assuming due authorization, execution and delivery by the Vendor, is a legal and valid instrument binding upon the Builder; and

(i) A receipt from the Builder for any payment (other than the payment being made by the Vendor pursuant to the first paragraph of

this Section 4) required to be made on such Closing Date to the Builder with respect to the Equipment, unless such payment is made by the Vendor with funds furnished to it for that purpose by the Owner-Trustee or the Owner.

In giving the opinions specified in subparagraphs (e) and (f) of this Section 4, counsel may qualify any opinion to the effect that any agreement is a legal, valid and binding instrument enforceable in accordance with its terms by a general reference to limitations as to enforceability imposed by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally. In giving the opinion specified in said subparagraph (e), counsel may rely (i) as to authorization, execution and delivery by the Builder of the documents executed by the Builder and title to the Equipment at the time of delivery thereof under the Conditional Sale Agreement, on the opinion of counsel for the Builder and (ii) as to any matter governed by the law of any jurisdiction other than the State of New York or the United States, on the opinion of counsel for the Builder or the Guarantor as to such matter.

The obligation of the Vendor hereunder to make payment for any of the Equipment assigned hereunder is hereby expressly conditioned upon the Vendor having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available to make such payment and upon payment by the Owner-Trustee of the amount required to be paid by it pursuant to subparagraph (a) of the third paragraph of Article 4 of the Conditional Sale Agreement. The Vendor shall not be obligated to make any of the above-mentioned payments at any time after the commencement of any proceedings specified in clause (c) or (d) of Article 16 of the Conditional Sale Agreement or if an event of default, or any event which with the lapse of time and/or demand provided for in the Conditional Sale Agreement would constitute an event of default, shall have occurred and be continuing under the Conditional Sale Agreement. In the event that the Vendor shall not make any such payment, the Vendor shall reassign to the Builder, without recourse to the Vendor, all right, title and interest of the Vendor in and to the units of the Equipment with respect to which payment has not been made by the Vendor.

SECTION 5. The Vendor may assign all or any of its rights under the Conditional Sale Agreement, including the right to receive any payments

due or to become due to it from the Owner-Trustee or the Guarantor thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving the written notice required in Article 15 of the Conditional Sale Agreement, enjoy all the rights and privileges and be subject to all the obligations of the Vendor hereunder.

SECTION 6. The Builder hereby:

(a) represents and warrants to the Vendor, its successors and assigns, that the Conditional Sale Agreement was duly authorized by it and lawfully executed and delivered by it for a valid consideration, that, assuming due authorization, execution and delivery by the Owner-Trustee and the Guarantor, the Conditional Sale Agreement is, in so far as the Builder is concerned, a legal, valid and existing agreement binding upon the Builder in accordance with its terms and that it is now in force without amendment thereto;

(b) agrees that it will from time to time and at all times, at the request of the Vendor or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Vendor or intended so to be; and

(c) agrees that, upon request of the Vendor, its successors and assigns, it will execute any and all instruments which may be necessary or proper in order to discharge of record the Conditional Sale Agreement or any other instrument evidencing any interest of the Builder therein or in the Equipment.

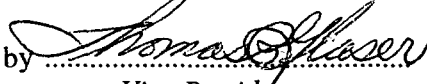
SECTION 7. The rights acquired by the Vendor pursuant to this Assignment shall be and are acquired for the benefit of the Investors; *provided, however,* that the rights and remedies provided herein shall be exercised only by the Vendor, as agent for the Investors, and the duties and obligations of the Vendor shall be performed only by the Vendor and not the Investors. Any provision of this Agreement requiring notice to or communication with the Vendor shall be deemed satisfied by notice to or communication with the Vendor without additional notice to or communication with any Investor.

SECTION 8. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of New York, *provided, however,* that the parties shall be entitled to all the rights conferred by Section 20c of the Interstate Commerce Act, such additional rights arising out of the filing, recording or depositing of the Conditional Sale Agreement and this Assignment as shall be conferred by the laws of the several jurisdictions in which the Conditional Sale Agreement or this Assignment shall be filed, recorded or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking on the units of the Equipment.

SECTION 9. This Assignment may be executed in any number of counterparts, but the counterpart delivered to the Vendor shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officials, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

PULLMAN INCORPORATED
(Pullman-Standard division),

by 
Vice President

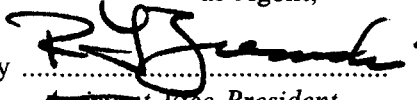
[CORPORATE SEAL]

Attest:


Assistant Secretary

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY,

as Agent,

by 
~~Assistant~~ Vice President

[CORPORATE SEAL]

Attest:


Corporate Trust Officer

STATE OF ILLINOIS }
COUNTY OF COOK } SS.:

On this 5th day of March, 1975, before me personally appeared Thomas P. Waser, to me personally known, who, being by me duly sworn, says that he is a Vice President of Pullman Incorporated (Pullman-Standard division), that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

William E. York
Notary Public

[NOTARIAL SEAL]

My Commission expires May 7, 1978

STATE OF MARYLAND }
CITY OF BALTIMORE } SS.:

On this 5th day of March, 1975, before me personally appeared R. F. Ziemer, to me personally known, who, being by me duly sworn, says that he is an ~~Assistant~~ Vice President of Mercantile-Safe Deposit and Trust Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said trust company that said instrument was signed and sealed on behalf of said trust company by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said trust company.

Dorothy E. Scharf
Notary Public

[NOTARIAL SEAL]

My Commission expires July 1, 1978

DOROTHY E. SCHARF
NOTARY PUBLIC
My Commission Expires July 1, 1978

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT AND AGREEMENT

Receipt of a copy of, and due notice of the assignment made by, the foregoing Agreement and Assignment is hereby acknowledged as of the date thereof. As an inducement for the Investors to invest in the Conditional Sale Indebtedness (as such terms are defined in the Conditional Sale Agreement assigned by the foregoing Agreement and Assignment), the undersigned agree that the undertakings made to the Vendor in said Conditional Sale Agreement are made to and for the benefit of the Investors as well as said Vendor.

UNITED STATES TRUST COMPANY OF NEW
YORK, as Trustee,

by

Vice President

SOUTHERN RAILWAY COMPANY,

for

by

Vice President